



**State Agency Farmers' Market/Farmstand/Farmer Agreement
Between State of Alaska – DHSS and Farmers' Market/Farmstand/Farmer:**

Farmer No. (If Applicable) _____

This agreement is entered into by and between the State of Alaska, Department of Health and Social Services (AK DHSS) and the Farmers' Market/Farmstand/Farmer named above to participate in the United States Department of Agriculture (USDA) and the Alaska State Farmers' Market Nutrition Program (FMNP), Senior Farmers' Market Nutrition Program (SFMNP), and WIC Program.

The duration of this agreement shall be for the **2016-2018 Farmers' Market seasons of June 1 - November 30 of each year** unless terminated earlier as provided below.

It is the purpose of this agreement to:

1. Provide locally grown, fresh fruits, vegetables, and herbs for currently eligible WIC women, infants and children, and senior citizens in areas where the FMNP and SFMNP are offered.
2. Expand customer base and use of farmer's markets where consumers can buy directly from the farmer.

It is therefore mutually agreed that:

1. The Farmers' Market/Farmstand/Farmer shall furnish the necessary personnel and services and otherwise do all things necessary for, or incidental to, the performance of conditions set forth below.
2. The Farmers' Market/Farmstand/Farmer authorized to participate in the Alaska WIC Program, FMNP, and SFMNP agrees to all of the following conditions and rules.

Deposit deadlines are as follows:

1. All Farmers' Market coupons must be deposited into the authorized Farmers' Market/Farmstand/Farmer's bank no later than November 15 of each year beginning in 2016 and ending in 2018.
2. WIC Fruit and Vegetable Vouchers (FVV) have more stringent requirements and must be deposited by the authorized Farmers' Market/Farmstand/Farmer within 60 days from the first "Valid Date" printed on the FVV and no later than November 15 of each year beginning in 2016 and ending in 2018.
3. Senior Farmers' Market coupons must be received by the assigned payment agency no later than November 30 of each year beginning in 2016 and ending in 2018. All reimbursements of SFMNP coupons will be processed by the assigned senior reimbursement agency by December 31 of each year beginning in 2016 and ending in 2018.

Definitions:

AK DHSS stands for Alaska Department of Health and Social Services. This is also sometimes referred to as the State Agency throughout this document.

Compliance Buy means a covert, on-site investigation in which a representative of WIC, FMNP and/or SFMNP poses as a participant, parent or caretaker of an infant or child participant, or proxy, transacts one or more food instruments (FIs) or FVVs, and does not reveal during the visit that he or she is a WIC, FMNP and/or SFMNP representative.

Coupon means a coupon, food instrument (FI), warrant, voucher, or other negotiable financial instrument by which benefits under the FVV, FMNP, and SFMNP are transferred to participants.

Distribution Agency means any nonprofit entity or local government agency which issues SFMNP coupons, and provides nutrition education and/or information on operational aspects of the Programs to eligible participants.

Eligible Foods for purchase with Senior and Farmers Market Nutrition Program coupons (SFMNP/FMNP) means fresh, nutritious, unprepared, locally grown, approved fruits, vegetables and herbs for human consumption. Eligible foods may not be processed or prepared beyond their natural state except for usual harvesting and cleaning processes. Ineligible foods include dried fruits and vegetables, maple syrup, cider, juices, nuts, seeds, eggs, meat, cheese and seafood. Honey is approved only for purchase with SFMNP coupons.

Eligible Foods for purchase with Fruit and Vegetable Vouchers (FVVs) means any combination of WIC approved fresh fruits and vegetables. They do not have to be grown in Alaska. This includes whole or cut varieties. They may not have any added sugars, fats or oils. Ineligible foods for FVV purchase include edible blossoms or flowers, herbs, fruit leathers or fruit rollups, vegetable-grain or fruit-nut mixtures, dried fruits and vegetables, canned or dried mature legumes, honey, maple syrup, cider, juices, nuts, seeds, eggs, meat, cheese and seafood.

Employee Fraud and Abuse means the intentional conduct of a State, local agency or clinic employee which violates WIC Program, FMNP and/or SFMNP regulations, policies, or procedures, including, but not limited to, misappropriating or altering FIs or FVVs, entering false or misleading information in case records, or creating case records for fictitious participants.

Farmer means an individual authorized to sell eligible fruits, vegetables and herbs to participants at a farmers' market or farmstand. Individuals who exclusively sell produce grown by someone else, such as wholesale distributors, cannot be authorized to participate in WIC, FMNP and SFMNP. For purposes of this agreement, this includes the term "Farmer" as defined in WIC Farmers' Market Nutrition Program (FMNP), 7 C.F.R. § 248.2, and Seniors FMNP, 7 C.F.R. § 249.2, and in Special Supplemental Nutrition Program for Women, Infants and Children (WIC), 7 C.F.R. § 246.2.

Farmers' Market means an association of local farmers who assemble at a defined location and scheduled time for the purpose of selling their produce directly to consumers.

Farmstand means a location at which a single, individual farmer sells his/her produce directly to the consumer. This is in contrast to a group or association of farmers selling their produce at a farmers' market.

FMNP stands for Farmers' Market Nutrition Program.

Fruit and Vegetable Voucher (FVV) means a fixed-dollar amount check, voucher, electronic benefit transfer (EBT) card or other document which can be used only to obtain authorized fruits and vegetables.

Local Agency means any nonprofit entity or local government agency which issues FVV, FMNP or SFMNP coupons, and provides nutrition education and/or information on operational aspects of the Programs to eligible participants.

Locally Grown means produce grown only within Alaska borders. Under no circumstances can produce grown outside of Alaska be considered eligible for the FMNP and SFMNP.

Participants means pregnant women, breastfeeding women, postpartum women, infants and children who are receiving supplemental foods or Food Instruments, including FVVs under the WIC Program and/or FMNP; and low income seniors age 60 or older, who are eligible to receive SFMNP benefits.

Participant Violation means any intentional action of a participant, parent or caretaker of an infant or child participant, or proxy that violates Federal or State statutes, regulations, policies, or procedures governing the WIC Program, FMNP, and SFMNP. Participant violations include intentionally making false or misleading statements or intentionally misrepresenting, concealing, or withholding facts to obtain benefits; exchanging FVVs, FIs or supplemental foods for cash, credit, non-food items, or unauthorized food items, including supplemental foods in excess of those listed on the participant's FI; threatening to harm or physically harming clinic, farmer or vendor staff; and dual participation.

Proxy means any person designated by a woman participant, or by a parent or caretaker of an infant or child participant, to obtain and transact FIs or FVVs or to obtain supplemental foods on behalf of a participant. The proxy must be designated consistent with the State agency's procedures established pursuant to 7 CFR § 246.12 (r) (1). Parents or caretakers applying on behalf of child and infant participants are not proxies. For the SFMNP, "proxy" means an individual authorized by an eligible senior to act on the senior's behalf according to 7 CFR §249.2.

Senior Participant means eligible low-income seniors age 60 and over.

SFMNP stands for Senior Farmers' Market Nutrition Program.

USDA stands for United States Department of Agriculture.

WIC stands for Special Supplemental Nutrition Program for Women, Infants and Children.

The State of Alaska, Department of Health and Social Services shall:

1. Provide each eligible FMNP participant a one-time benefit of FMNP coupons that may be redeemed only at qualifying farmers' markets or farmstands between June 1 and October 31. Distribution of the FMNP coupons will be made by Local Agencies.
2. Provide each eligible senior participant SFMNP coupons that may be redeemed only at qualifying farmers' markets or farmstands between June 1 and October 31. Distribution of the SFMNP coupons will be made by Distribution Agencies.

3. Provide each eligible WIC participant with a monthly benefit of FVV in various increments that may be redeemed at qualifying farmers' markets or farmstands between June 1 and October 31. Distribution of FVVs will be made by Local Agencies.
4. Assure payments (to authorized farmers) of valid FMNP coupons and properly processed FVVs deposited at the bank.
5. Assure payments (to authorized farmers) of valid SFMNP coupons received by the appropriate local senior reimbursement agency.
6. Deny payment to a farmer for improperly redeemed coupons and/or demand repayment for already redeemed coupons.
7. Provide training to authorized farmers' market managers, farmstands and farmers.
8. Provide Accepted Here signs to be displayed by authorized farmers at point of sale(s).
9. Provide monitoring of authorized farmers' markets, farmers, and farmstands to assure compliance with 7 CFR 246 (WIC regulations), 7 CFR 248 (FMNP regulations) and 7 CFR 249 (SFMNP regulations).

The Farmers' Market representative shall:

1. Provide FVV, FMNP, and SFMNP information and training to farmers requesting authorization to participate in these programs.
2. Provide the State of Alaska WIC program the location and scheduled dates and hours of market operation.
3. Provide the State agency with a regularly updated list of all farmers at the authorized market who accept SFMNP/SFMNP coupons/vouchers in exchange for their produce, and their effective dates of participation.

The Farmers' Market representative/Farmstand operator shall:

1. Be located in an area where the local WIC agency and/or local senior distribution agency is/are able to provide the necessary services required to administer the WIC Program, FMNP, and SFMNP.
2. Be located in an area that serves enough eligible WIC, FMNP, and SFMNP participants to justify the need for the farmers' market or farmstand.
3. Be open for a minimum of three hours on at least one day a week.
4. Include enough authorized farmers participating in the market or if a farmstand, enough variety and quantity of produce to meet the demand of eligible WIC, FMNP, and SFMNP participants in the area it serves.

The Farmers' Market representative/Farmstand operator/Farmer shall:

1. Accept training relating to the WIC Program, FMNP, and SFMNP procedures and provide training to any employees and/or volunteers on such procedures.
2. Assure that FVV, FMNP and SFMNP coupons are redeemed only after receiving a copy of this agreement, a farmer number stamp, and a program Accepted Here sign to display verifying that s/he is authorized to participate in the current year. Accept FVV, FMNP and SFMNP coupons only at authorized farmers' markets or farmstands.
3. Display the Accepted Here sign at each location and time when selling eligible produce.
4. Assure that FVV, FMNP and SFMNP coupons are redeemed only for eligible, unprocessed, fresh, fruits, vegetables and herbs. (Please note: Herbs are not allowed for purchase with a FVV) Refer to the definitions for eligible foods on page two of this agreement.
5. Do not provide unauthorized food items, nonfood items, cash, or credit (including rain checks) in exchange for purchases.

6. Accept FVV, FMNP and SFMNP coupons only within the valid market dates of June 1 through October 31 of the year listed on the coupon and/or voucher. FVVs must be redeemed within the “valid dates” printed on the food instrument.
7. Offer customers the full amount of produce for the value of each coupon. Do not provide change.
8. Allow WIC, FMNP, and SFMNP participants to pay the difference if the total of their fruit and vegetable purchase is over the amount printed on the coupon or FVV. Clients may use any payment method offered to other customers, including cash, check, credit or debit card, or SNAP EBT card.
9. Allow WIC, FMNP, and SFMNP participants to combine multiple coupons in a single transaction.
10. Do not charge sales tax in conjunction with any FMNP, SFMNP, or FVV transaction, except for any portion that exceeds the amount printed on the coupon or FVV.
11. Assure that the farmer number is stamped in the appropriate area on the FMNP or SFMNP coupon or FVV before redeeming it.
12. Deposit FMNP coupons at their bank no later than November 15 of the current year. WIC FVVs must be deposited by farmers within 60 days from the first “Valid Date” printed on the FVV.
13. Assure that SFMNP coupons are received by the assigned senior reimbursement agency no later than November 30 of the current year. Reimbursement of SFMNP coupons will be processed by December 31 of each year.
14. Provide equitable treatment of WIC, FMNP, and SFMNP participants, including the availability of produce that is of the same quality and at the current price or less as that sold to other customers.
15. Provide Alaska DHSS with any information available which the Farmers' Market or Alaska DHSS deems necessary to track the impact of the FMNP, SFMNP, and FVVs on the market or farmstand, including information required for annual reports to the USDA, Food and Nutrition Services.
16. Comply with applicable state and federal regulations pertaining to Civil Rights and Nondiscrimination.
17. Cooperate with Alaska DHSS staff in overt and covert monitoring for compliance with WIC Program, FMNP, and SFMNP procedures.
18. Be accountable for actions of farmers, employees and volunteers in the provision of foods and related activities.
19. Pay the Alaska DHSS for any FVV, FMNP and SFMNP coupons transacted in violation of the agreement.
20. Not seek restitution from WIC, FMNP, and SFMNP participants for coupons not paid or partially paid by Alaska DHSS.
21. Safeguard confidential WIC, FMNP, and SFMNP participant information.
22. Notify the Alaska DHSS when and if a farmers' market/farmstand/farmer ceases operation prior to the end of the authorization period.
23. Submit an annual Information Update form provided by the State of Alaska WIC program by the stated deadline.

Any violation of these rules may result in the Alaska DHSS disqualifying the farmers' market/farmstand/farmer from the program. The farmers' market/farmstand/farmer may be subject to sanctions in addition to, or in lieu of, disqualification. For a list of sanctions please refer to the FMNP/SFMNP Sanction Schedule at the end of this agreement. The Alaska DHSS shall notify the farmers' market/farmstand/farmer in writing 15 calendar days prior to the disqualification effective date. The State agency may deny payment to the farmer and/or farmers' market or roadside stand for improperly redeemed SFMNP or FMNP coupons or FVVs or may establish a claim for payments already made on improperly redeemed coupons and/or vouchers. The State agency may disqualify a market and/or a farmer or roadside stand for program abuse with a minimum of 15 days' advance written notification.

A farmers' market/farmstand/farmer which commits fraud, abuse, or engages in other illegal activity is liable to prosecution under applicable federal, state or local regulations. farmers' market/farmstand/farmer may appeal an action of the State agency denying its application to participate, imposing a sanction, or disqualifying it from participating in the FMNP/SFMNP/WIC program if received within 30 calendar days of notification. Expiration of an agreement shall not be subject to appeal through the State agency. All appeals must be in writing, and addressed to: Alaska State WIC Farmers' Market Program Coordinator, 130 Seward Street, Room 508, Juneau, Alaska 99801. The Alaska State Farmers' Market Nutrition Program (FMNP) maintains no obligation to reinstate a farmers' market/farmstand/farmer agreement after disqualification. The farmers' market/farmstand/farmer understands that they may reapply to participate in the program as stipulated in the disqualification notification.

Any of the parties to this agreement shall have the right to terminate the agreement with 30 days' notice upon submission of a written notice to the other parties. Termination notices or other correspondence from the farmers' market/farmstand/farmer shall be addressed to: **Alaska Farmers' Market Nutrition Program, Department of Health and Social Services, Division of Public Assistance, Family Nutrition Programs-WIC, 130 Seward Street, Room 508, Juneau, Alaska 99801.**

Order of Precedence:

In the event of an inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: 1) Applicable federal and state statutes and regulations, 2) Special Terms and Conditions, 3) Any other provisions of the agreement whether incorporated by reference or otherwise.

This agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind any of the parties. In witness whereof, the undersigned have affixed their signatures in execution thereof.

Farmers' Market, Farmstand or Farm Representative

State of Alaska Department of Health and Social Services

Signature

Signature

Name

Name

Title

Title

Date

Date

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. This institution is an equal opportunity provider.

FMNP Sanctions

Violation Type	Description	State Agency Action/Penalty
Category I	<p>Failure to display a WIC Farmers' Market Poster.</p> <p>Accepting FMNP or SFMNP coupons or FVVs for ineligible foods.</p> <p>Depositing or cashing FMNP/SFMNP coupons or vouchers without a valid farmer-vendor number stamped in the appropriate box. (First violation)</p> <p>Accepting an FVV without comparing their signature with their WIC Food List/Participant ID Folder. (First violation)</p>	<p>Violation will result in verbal or written warning, with corrective action requested.</p> <p>Additional training may be provided on-site or by teleconference.</p>
Category II	<p>Accepting FMNP or SFMNP coupons or FVVs before authorization is complete.</p> <p>Accepting FMNP or SFMNP coupons or FVVs at an unauthorized farmers' market, or other unauthorized premises.</p> <p>Attempting to collect or collecting sales tax on produce sold to WIC and Senior participants (coupon or FVV portion only).</p> <p>Two or more Category I violations.</p>	<p>Violation will result in a written notification of noncompliance from the State Agency.</p> <p>The farmer-vendor may be required to participate in special training to resolve the violation.</p>
Category III	<p>Charging FMNP or SFMNP participants more than other customers.</p> <p>Discriminating actions against a WIC, FMNP or SFMNP participant.</p> <p>Providing money back to participants where the amount of the purchase is less than the coupon or voucher.</p> <p>Two or more Category II violations.</p>	<p>Violation will result in termination of Farmer-Vendor agreement and disqualification from the WIC, FMNP and/or SFMNP Program for one market season. Farmer-vendor will need to reapply for authorization after suspension.</p>
Category IV	<p>Committing fraud or abuse in connection with the FVVs, FMNP or SFMNP.</p> <p>Providing drugs, weapons, alcohol, or cash to a customer for coupons or FVVs.</p> <p>Two or more category III violations.</p>	<p>Violation will result in termination of Farmer-Vendor agreement and disqualification from the program. Farmer-Vendor may be required to repay the Alaska WIC Program for improperly redeemed coupons. Disqualification is for two years.</p>

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